

# CHANGE OF LEGAL POSITION OF PARTIES TO AGREEMENTS ON LEASE OF NON-RESIDENTIAL PREMISES IN RELATION TO ACT NO. 89/2012 COLL. BECOMING EFFECTIVE

## **Summary:**

The purpose of my thesis is to analyse the legal consequence of the Act. No. 89/2012 Coll., the Civil Code, as amended (the "**Civil Code**"), coming into effectiveness in the Czech Republic on 1 January 2014, with regards to lease agreements on lease of non-residential premises (re-defined by the Civil Code as premises for business purposes).

The reason for this analysis is the fact that, as a result of the Civil Code becoming effective, all the lease relationships, including lease relationships under lease agreement concluded prior to 1 January 2014 shall be governed by the Civil Code. Given that the introduction of the Civil Code represents full recodification of the civil law in the Czech Republic, the related changes concerning the lease agreements on lease of premises for business purposes are of significant character. Accordingly, the thesis is mainly addressed to the parties to the existing lease agreements on premises for business purposes concluded on 31 December 2013 or earlier, even though it may be found of use for other addressees as well.

The first chapter is introductory as it outlines the new concept of obligations, subject of which is use of property of another, whereas lease is one of several explicitly regulated types of these obligations.

The following chapters focus on particular aspects of the lease and provide the reader with detailed comparison of the old and the new legal regulation.

This includes namely the following areas: (i) specification of the subject of lease; (ii) rent; (iii) services provided in connection with lease and payment of their costs; (iv) other rights obligations of the parties; and (v) termination of the lease.

Each of these chapters examines the major changes of the legal position of parties to agreements on lease of premises for business purposes arising from the Civil Code. The thesis also points out potential risks and uncertainties resulting from the Civil Code in the investigated field. Further, the thesis makes recommendations for exclusions or adjustments of the provisions of applicable law either to reinstate original position of the parties or to limit potential risks and uncertainties under the law.

Besides the above mentioned, the thesis contains a chapter which shows some interesting points on invalidity of lease agreement in light of the Civil Code and also an additional chapter comprising of brief overview of related legal institutes which may be of importance in relation to the subject of the thesis (in particular delivery, period calculation and change in obligations).

In the Conclusion, the thesis highlights the limits of the raised opinions with respect to both lack of relevant judicial decisions and minimal doctrinal interpretation and possible discrepancies arising from particular contractual covenants.